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OFFICE OF PETITIONS

In re Application of
Murakami et al.
Application No. 09/814,607
Filed: March 22, 2001
Attorney Docket No: 9437.15

DECISION ON PETITION

This is a decision on the renewed petition under 37 CFR 1.137(b), filed October 8, 2007, to revive the above-identified application.

This petition is hereby **Dismissed**.

Any request for reconsideration must be submitted within TWO (2) MONTHS from the mail date of this decision. Extensions of time under 37 CFR 1.136(a) are permitted. The reconsideration request should include a cover letter entitled "Renewed Petition under 37 CFR 1.137(b)." This is **not** final agency action within the meaning of 5 U.S.C. §704.

This above-identified application became abandoned for failure to timely file a response to a final Office Action which was mailed on March 26, 2003. The final Office Action set a three (3) month shortened statutory period for reply. A three month extension of time was obtained pursuant to 37 CFR 1.136(a). Accordingly, this application became abandoned on June 27, 2003. A Notice of Abandonment was mailed on October 1, 2003. A petition filed under 37 CFR 1.137(b) was dismissed on August 31, 2007.

A grantable petition under 37 CFR 1.137(b) must be accompanied by: (1) the required reply, unless previously filed; (2) the petition fee as set forth in 37 CFR 1.17(m); (3) a statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition pursuant to 37 CFR 1.137(b) was unintentional;

and (4) any terminal disclaimer (and fee as set forth in 37 CFR 1.20(d)) required by 37 CFR 1.137(c). Where there is a question as to whether either the abandonment or the delay in filing a petition under 37 CFR 1.137 was unintentional, the Director may require additional information. See MPEP 711.03 (c)(III)(C) and (D).

The instant petition lacks item (3).

On renewed petition, a declaration from Larry V. Lunt the controlling member of Tarian LLC (hereinafter "Tarian") was provided. Mr. Lunt served as a Brigadier General until retirement in November of 2003. A group of investors named Union Recovery Corporation ("hereinafter URC") expressed an interest in buying out the Tarian shareholders in the beginning of 2002. An Asset Acquisition Agreement between Tarian and URC was signed on May 24, 2002. According to the agreement as conveyed by Mr. Lunt, the assets of Tarian including application 09/814,607 were deemed assigned to URC as of the closing date of May 25, 2002. The agreement required that URC make an initial payment 90 days after the closing date and subsequent payments on the anniversary of the closing date for six years. Mr. Lunt states that he assumed that URC would continue with regular processing of the above-identified application including responding to Office actions and paying fees which became due. URC never made any payments to Tarian.

Kirton and McConkie (hereinafter "K&M") Tarian's previous patent counsel informed Mr. Lunt that they foreclosed an attorney's lien on the assets in action against URC to collect payment of attorney's lien on the assets.

Ownership of the assets was not transferred back to an entity under Lunt's control until December 14, 2006. Mr. Lunt contacted his attorney to revive the application.

Petitioner's arguments have been considered, but they are not convincing to establish that Mr. Lunt is not a proper party

The question under 37 CFR 1.137 is whether the delay on the part of the party having the right or authority to reply to avoid abandonment (or not reply) was unavoidable or unintentional. When the applicant assigns the entire right, title, and interest in an invention to a third party (and thus does not retain any legal or equitable interest in the invention), the applicant's delay is irrelevant in evaluating whether the delay was unavoidable or even unintentional. See *Kim v. Quigg*, 718 F. Supp. 1280, 1284, 12 USPQ2d 1604, 1607-08 (E.D. Va. 1989). When an applicant assigns the application to a third party (e.g., the inventor/applicant's employer), and the third party decides not to

file a reply to avoid abandonment, the applicant's actions, inactions or intentions are irrelevant under 37 CFR 1.137, unless the third party has reassigned the application to the applicant prior to the due date for the reply. *Id.*

Likewise, where the applicant permits a third party (whether a partial assignee, licensee, or other party) to control the prosecution of an application, the third party's decision whether or not to file a reply to avoid abandonment is binding on the applicant. See *Winkler*, 221 F. Supp. at 552, 138 USPQ at 667. Where an applicant enters an agreement with a third party for the third party to take control of the prosecution of an application, the applicant will be considered to have given the third party the right and authority to prosecute the application to avoid abandonment (or not prosecute), unless, by the express terms of the contract between applicant and the third party, the third party is conducting the prosecution of the application for the applicant solely in a fiduciary capacity. See *Futures Technology Ltd. v. Quigg*, 684 F. Supp. 430, 431, 7 USPQ2d 1588, 1589 (E.D. Va. 1988). Otherwise, the applicant will be considered to have given the third party unbridled discretion to prosecute (or not prosecute) the application to avoid abandonment, and will be bound by the actions or inactions of such third party.

In this instance, the application became abandoned on June 27, 2003. At the time of abandonment this application was assigned to URC. Thus, URC as the assignee at the time the application was held abandoned. Accordingly, Mr. Lunt, Tarian, and any other entity under Mr. Lunt's control are bound by the actions or inactions of URC.

As such, petitioner is unable to establish that the delay in reply that originally resulted in the abandonment was unintentional.

Further Correspondence with respect to this matter should be addressed as follows:

By mail:	Mail Stop Petition
	Commissioner for Patents
	P.O. Box 1450
	Alexandria, VA 22313-1450

By facsimile:	(571) 273-8300
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By delivery service:	U.S. Patent and Trademark Office
(FedEx, UPS, DHL, etc.)	Customer Service Window,

Randolph Building
401 Dulany Street
Alexandria, VA 22314

Telephone inquiries concerning this matter should be directed to the undersigned at (571) 272-3215.

A handwritten signature in black ink, appearing to read "Charlema R. Grant". The signature is fluid and cursive, with the first name "Charlema" being more prominent and the last name "Grant" following in a similar style.

Charlema R. Grant
Petitions Attorney
Office of Petitions